

**Application number: 09/922489**

**Art Unit: 3694**

**Applicant: Khai Hee Kwan**

**Examiner: Susanna M. Diaz**

Title: Method, apparatus and program for pricing, transferring, buying, selling and exercising of financial options for paying educational course fees

## In the Claims

1-29 ( CANCELLED)

- 5     30. (CURRENTLY AMENDED) A computer implemented method for user to contract a future education fee amount now for an education course and optionally paying for ~~the~~ said contracted education fee in ~~the~~ future subject to gaining admission to said course, comprising ~~the~~ steps:
- 10     receiving education information from user over a network connected to a computer having memory with a data structure stored in said memory, said data structure comprising first data representative of volatility of education course prices;
- 15     ~~in response to the~~ said computer using said information with said first data, calculating ~~the~~ an education option price in consideration to contract the future education fee amount as determined by the user's education information; ~~where the price gives a right but not an obligation to pay the said contracted fee for the selected course on the condition of being offered admission to selected course by selected institution before commencement date of selected course;~~
- 20     outputting the education option price for consideration by the user;
- 25     a step for the user to pay for the education option; and
- updating said data structure with said education option having a right but not an obligation to pay said future education fee for a selected course on condition of being offered admission to the selected course by selected institution before commencement date of the selected course for said user.-.

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~~whereby user is a potential student, parents, guardian or benefactor.~~

31. (CURRENTLY AMENDED) The method according to claim 30, whereby said  
5 payment is made to said selected institution by said user. ~~wherein the step of receiving~~  
~~education information comprising:~~

~~at least one of the first information describing the future education fee amount to be~~  
~~contracted, second information concerning the desired number of years before~~  
10 ~~commencement of the selected course, third information concerning user past~~  
~~academic results, fourth information concerning user personal data, fifth information~~  
~~concerning the selected institution, sixth information concerning the selected course,~~  
~~seventh information concerning the user's flexibility factor of the selected course.~~

15 32. (CURRENTLY AMENDED) The method according to claim 30 further  
comprising the step of receiving an indication that a the user has purchased the  
education option and updating a database to reflect ~~the~~ sale of ~~the~~ said option.

20 33 (CURRENTLY AMENDED) The method according to claim 30, further  
comprising the step of receiving education option sales ~~in formation-~~ information  
from an option database indicating a number of similar options that have been  
previously sold or written, and wherein the calculating steps use the option sales  
25 information in determining the option price.

34. (CANCELLED)

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35. (CURRENTLY AMENDED) The method according to claim 30, further comprising ~~the steps of~~:

- 5 receiving a request from a user to exercise the education option;  
verifying ~~if said~~ user has been admitted to the selected course;  
~~if verified upon verification,~~ performing an online financial transaction to pay the  
~~contracted~~ education fee contracted in the education option to said selected institution;  
and  
10 ~~update~~ updating the transaction option's status.

36. (CURRENTLY AMENDED) The method according to claim 30, wherein the education option price is based in part upon ~~the~~ a formula below:

15 Option price =  $B * D * \underline{L} * C * R * \underline{V}$ ;

- whereby B is ~~the~~ base price for the option, D is a factor related to a desired number of years before commencement of course, ~~L is a factor concerning the expected enrolment demand on the subject course,~~ and V is a factor ~~concerning~~ related to the  
20 volatility of the education course prices, ~~and C is a factor related to the desirability of the user,~~ and R is a factor related to the flexibility of the user's education plans.

37-50 (CANCELLED)

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51. (CURRENTLY AMENDED) A computer-implemented method of offering to lock a future education fee amount ~~for~~ with a selected education institution ~~course~~ comprising the steps:
- user inquiring the education course price selecting education institution;  
user making receiving an offer price which is less than ~~to lock a~~ said future education fee amount payable within a fixed period to said selected education institution ~~for a particular course~~ subject to being granted admission; and paying ~~the offer at~~ the offer price .
- 52-53 (CANCELLED)
54. (CURRENTLY AMENDED) A system for selling an education option locking in a future education cost comprising :
- a terminal ~~adapted~~ to communicate with a central controller that calculates an education option price as consideration for a contract with rights but not obligation to pay the future education fee amount for an education course within a specified future period, for a particular education course with a selected institution wherein said contract includes a condition of admission to the institution before selected course commencement date;
- said terminal ~~adapted~~ to transmit to the central controller user's education information; ~~comprising at least one of the first information describing the proposed future education fee amount to be contracted, second information concerning the desired number of years before commencement of the selected course, third~~

~~information concerning user past academic results, fourth information concerning user personal data, fifth information concerning the selected institution, sixth information concerning the selected course, seventh information concerning the user's flexibility factor of the selected course; and~~

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~~if said user information satisfying selected institution's requirements, further adapted to receive said terminal to receive from the central controller the option price satisfying the said user's information with the selected institution; and~~

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said terminal to generate a display output reflecting the education option price and pricing information of different option offers relating to said course-

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55. (CURRENTLY AMENDED) The system according to claim 54, wherein said terminal is ~~further adapted~~ to transmit a said user's request to purchase the education option and to perform a financial transaction satisfying the education option price payable to the selected institution.

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56. (CURRENTLY AMENDED) The system according to claim 54, wherein said terminal is ~~further adapted~~ to transmit ~~a~~ said user's request to exercise the education option and to perform a financial transaction satisfying the contracted education fee amount payable to the selected institution whereby said exercise request is subject to the user having gain admission to the course.

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57 ( CANCELLED)

58. (CURRENTLY AMENDED) The system according to claim 54, wherein said host controller is ~~further adapted to~~ an electronic education option exchange.

59. (CURRENTLY AMENDED) A computer implemented method for user to contract a future education fee amount now and optionally paying for ~~the~~ said education fee in ~~the~~ future; comprising ~~the~~ steps:

receiving education information from user over a network;

in response to ~~the~~ said information, calculating ~~the~~ an education option price wherein the calculating is based in part upon ~~the~~ a formula below:

~~Option price = B\*D\*L\*C\*R\*V;~~

Option price = B\*D\*V\*C;

whereby B is ~~the~~ base price for the option, D is a factor related to a desired number of years before commencement of course, ~~L is a factor concerning the expected enrolment demand on the subject course,~~ V is a factor ~~concerning the~~ related to volatility of ~~the~~ education course prices, and C is a factor related to ~~the~~ desirability of the user; ~~and R is a factor related to the flexibility of the user's education plans;~~

outputting the education option price for consideration by the user whereby said option is subject to gaining admission;

a step for said user to accept by paying for the education option ; and

a step to revise said education information.

60. (NEW) In a computer system having a computer processor and a memory operatively coupled to the computer processor, the computer comprising:

- 5    one or more database for storing first data representative of volatility of education course prices;

said memory having at least one region for storing executable program codes and said processor executing the program codes stored in the memory causing the

- 10   computer to determine an education option price when executed by said processor, wherein the program code comprising:

a code segment to receive education information from user over a network ;

- 15   a code segment to use said information with said first data and calculating the education option price in consideration to contract a future education fee amount as determined by the user's education information;

a code segment to output the education option price for consideration by the user;

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a code segment to receive payment from the user for the education option; and

a code segment to update said database with said education option having a right but not an obligation to pay said future education fee for a selected course on condition of  
25   being offered admission to the selected course by selected institution before commencement date of the selected course for said user.

61. (NEW) The apparatus according to Claim 60 whereby said payment is made to said selected institution by said user.

62. (NEW) The apparatus according to Claim 60 wherein the program code further  
5 comprising a code segment for receiving an indication that the user has purchased the education option and updating a database to reflect the sale of said option.

63. (NEW) The apparatus according to Claim 60 wherein the program code further  
10 comprising a code segment for receiving education option sales information from an option database indicating a number of similar options that have been previously sold or written, and wherein the calculating use the option sales information in determining the option price.

64 (NEW) The apparatus according to Claim 60 wherein the program code further  
15 comprising:

a code segment to receive a request to exercise the education option;

a code segment to verify user has been admitted to the selected course;

a code segment to perform an online financial transaction to pay the education fee

20 contracted in the education option to said selected institution upon verifying said user is admitted; and  
updating the option's status.

25 65. (NEW) The apparatus according to Claim 60 wherein the code segment for calculating the education option price is based in part upon a formula below:

Option price = B \* D \* V;



whereby B is base price for the option, D is a factor related to a desired number of years before commencement of course, and V is a factor related to the volatility of education course prices.

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66. (NEW) A computer program embodied on a computer readable medium for causing a computer to determine an education option price when executed, said program comprising:

10 a code segment to receive education information from user over a network;

a code segment to connect to a memory having a data structure stored in said memory, said data structure having first data representative of volatility of education course prices;

15

a code segment to use said information with said first data and calculating an education option price in consideration to contract a future education fee amount as determined by the user's education information;

20 a code segment to output the education option price for consideration by said user;

a code segment to receive payment from the user for the education option; and

a code segment to update said database with said education option having a right but  
25 not an obligation to pay said future education fee for a selected course on condition of being offered admission to the selected course by selected institution before commencement date of the selected course for said user.

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67. (NEW) The computer program according to Claim 66 whereby said payment is made to said selected institution by said user.

68. (NEW) The computer program according to Claim 66 wherein the program code  
5 further comprising a code segment to receive an indication that the user has purchased the education option and updating a database to reflect sale of said option.

69. (NEW) The computer program according to Claim 66 wherein the program code further comprising a code segment to receive education option sales information from  
10 an option database indicating a number of similar options that have been previously sold or written, and wherein the calculating use the option sales information in determining the option price.

70. (NEW) The computer program according to Claim 66 wherein the program code  
15 further execute a transaction comprising:

a code segment to receive a request to exercise the education option;  
a code segment to verify user has been admitted to the selected course;  
a code segment to perform an online financial transaction to pay the education fee  
20 contracted in the education option to said selected institution upon verifying said user is admitted; and  
updating said option's status.

71 (NEW) The computer program according to Claim 66 wherein the education  
25 option price is based in part upon a formula below:

Option price = B\* D \*V;

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whereby B is base price for the option, D is a factor related to a desired number of years before commencement of course and V is a factor related to the volatility of education course prices.

- 5      72. (NEW) A computer readable medium in association with a computer which includes a processor and a memory, said medium having computer codes embodied on said medium causing said computer to assist an user to lock a future education fee amount with a selected education institution when executed by said processor, said codes comprising :

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a code segment to select education institution;

a code segment to make an offer price which is less than said future education fee amount payable within a fixed period to said selected education institution subject to being granted admission; and a code to pay the offer price.

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73-75. (Cancelled)